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COMPARATIVE WAR FINANCE

May, 1918

The New Budget—Our own and Germany's
Balance-sheets—
The Enemy's Difficulties—Mr Bonar Law's
Optimism—
Special Advantages which Peace will bring to
Germany—
A Comparison with American Finance—How
much we raised from Revenue?—The Value of the
Pound To-day
—The 1918 Budget an Improvement on its
Predecessors—
But Direct Taxation still too Low—Deductions
from the
Chancellor's Estimates.

ONE of the most interesting passages in
a Budget
speech of unusual interest was that in
which the
Chancellor of the Exchequer compared
the financial
methods of Germany and of this country,
as shown
by their systems of war finance. He
began by
admitting that it is difficult to make any
accurate
calculation on this subject, owing to the
very thick
mist of obscurity which envelops
Germany's actual
performance in "the matter of finance
since the war
began. As the Chancellor says, our
figures throughout
have been presented with the object
of showing
quite clearly what is our financial
position. Most of
the people who are obliged to study the
figures of
Government finance would feel inclined to
reply that
if this is really so, the Chancellor and the
Treasury
seem to have curiously narrow
limitations in their
capacity for clearness. Very few
accountants, I